

IRS News Release

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Purchasers of Honda Hybrids Still Qualify for Tax Credit

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WASHINGTON — The Internal Revenue Service announced that purchasers of American Honda Motor Company, Inc., qualified vehicles may continue to claim the Alternative Motor Vehicle Credit. The announcement comes after the IRS concluded its quarterly review of the number of hybrid vehicles sold.

Honda sold 12,716 qualifying vehicles to retail dealers in the quarter ending Dec. 31, 2006. This brings the cumulative number of qualified Honda hybrid vehicles sold as of Dec. 31, 2006, to 41,124.

The credit amount and make and model of qualified vehicles sold are:

Honda Accord Hybrid Model Year 2006 without updated calibration	\$650
Honda Accord Hybrid Model Year 2006 with updated calibration	\$1,300
Honda Accord Hybrid, Model Year 2007	\$1,300
Honda Accord Hybrid Navi Model Year 2007	\$1,300
Honda Civic Hybrid Model Year 2006 and 2007	\$2,100
Honda Insight Model Year 2006	\$1,450

Taxpayers may claim the full amount of the credit up to the end of the first calendar quarter after the quarter in which the manufacturer records its sale of the 60,000th vehicle. For the second and third calendar quarters after the quarter in which the 60,000th vehicle is sold, taxpayers may claim 50 percent of the credit. For the fourth and fifth calendar quarters, taxpayers may claim 25 percent of the credit. No credit is allowed after the fifth quarter.

More information on hybrid vehicles and other alternative motor vehicles can be found at IRS.gov.